

RESPONSE TO 517 113 EWN

1631210017 - St. Clair
Midstates T, D, F. 144943
Compliance file

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*ALSO LICENSED IN MISSOURI

November 3, 1993

Mr. Paul M. Purseglove
Manager, Used Tire Unit
Illinois Environmental Protection Agency
2200 Churchill Road
P.O. Box 19276
Springfield, IL 62794

Re: Response
Enforcement Warning Notice
Empire Industries d/b/a Midstates TDF, Inc.
IEPA # 1631210017

Dear Mr. Purseglove:

Please be advised that this office represents Empire Chem Realty, Inc., the owner of the property subject to the above-referenced enforcement action. The purpose of this letter is to summarize the meeting you had with Midstates' consultant, Mat Librach, on October 25, 1993, and to respond to the Enforcement Warning Notice from Illinois EPA in May, 1993. This letter also shall serve as my clients' proposed action plan, in compliance with the above-referenced Enforcement Warning Notice.

ONGOING OPERATIONS

Midstates TDF, Inc. is no longer an operating entity. The company is not accepting tires nor is it continuing to shred tires. In fact, the shredder which Doug Howard saw during his visit of April 27, 1993 is no longer at the site. Midstates TDF, Inc. has no plans to resume operations. Most of the useable TDF product has been sold to Union Electric Company. The order is expected to be completely shipped from the site by the end of 1993.

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NEW BUSINESS

As you have been made aware, the property owner, Empire Chem Realty, Inc., is negotiating a lease agreement with IPC-TDF, Inc. for land and part of the improved property in Sauget. IPC-TDF will be in the business of shredding tires. Their operations will be in full compliance with all relevant laws and regulations, and the Lease Agreement will require them to operate in this manner.

The proposed Lease Agreement will contain a provision for the clean-up of the tire material on the ground at the site. This clean-up is in response to your Notice and is the major environmental problem to be addressed at the site.

It is understood by all of the parties, namely Illinois EPA, IPC-TDF, Inc., Midstates TDF, Inc. and Empire Chem Realty, Inc., that once this proposal is accepted by Illinois EPA, it will be assigned to, and assumed by, IPC-TDF, Inc. and the provisions contained in this proposal will become the duty, obligation and liability of IPC-TDF to fulfill.

PROPOSED CLEAN-UP SCHEDULE

It is hopeful that a Lease Agreement will be executed and fully approved so that IPC-TDF, Inc. may commence work on the site by December 1, 1993. Full operations will not commence until some time in the First Quarter of 1994. The Lease Agreement is for a term of ten years.

The clean-up schedule proposed is as follows:

1. Whole Tires -- Prior to complete shutdown, most of the whole tire inventory at Midstates TDF, Inc. was shredded. The small amount of whole tires which remain, mostly truck tires, will be either removed from the site or shredded within 90 days following commencement of full operations by IPC-TDF.

2. Baled Material -- It is estimated that there is an inventory of about 150 tons of baled rubber material on the ground. Within 180 days following commencement of full operations, IPC-TDF will have either removed or shredded this material.

3. Large Piles of Material with Metal -- This is the largest material remaining on the ground at the site and therefore, our client is asking for the longest time period to solve this problem. There may be several solutions which do not require trucking and disposal to an appropriate landfill. It is

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proposed that within one year following commencement of full operations that IPC-TDF, Inc. will have either removed or shredded this material.

FINANCIAL ASSURANCE

As Mat Librach explained to you, Midstates TDF, Inc. has ceased its operations. Nevertheless, they have not abandoned the responsibility for the tire material on the ground. Midstates has worked closely with Empire Chem Realty, Inc., the land owner, to help IPC-TDF, Inc. get started and to continue the important business of tire recycling. Therefore, it is proposed that the Financial Assurance provisions not be required of either Midstates TDF, Inc. or IPC-TDF, Inc. so long as the program and schedule, as proposed, is adhered to and completed. All of the obligations contained herein will become part of the Lease Agreement with IPC-TDF, Inc.

Enclosed is a letter from IPC-TDF, Inc. indicating that they have reviewed this proposal and agree to assume the duties and obligations as set forth herein when it is incorporated into the Lease Agreement and said agreement becomes in full force and effect.

As the timetable for the Lease Agreement is critical to the successful start of IPC-TDF, Inc., my client would greatly appreciate your prompt review and approval of this proposal. IPC needs to begin its operation by December 1, 1993, so that full operations may commence some time during the First Quarter of 1994.

Thank you for your attention to this matter.

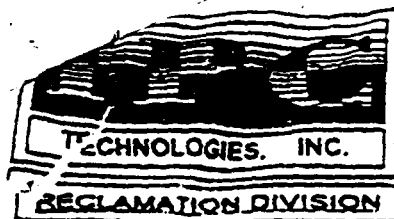
Sincerely,

JACK H. HUMES, JR.

JHH/jad

cc: Mr. William Whitaker
Mr. Mathew B. Librach
Mr. Douglas E. Hayward
Mr. Mark Holloway

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November 5, 1993

Mr. Jack H. Humes, Jr.
Burroughs, Hepler, Broom, MacDonald & Mcbrank
Two Mark Twain Plaza
Suite 300, 100 North Main Street
Edwardsville, IL 62025-0510

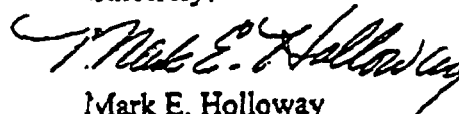
Re: Clean-up Proposal outlined in your letter to Illinois EPA dated November 3, 1993

Dear Jack,

IPC-TDF, Inc has reviewed this proposal and agrees to assume the duties and obligations as set forth therein when it is incorporated into the Lease Agreement and said Agreement becomes in full force and effect.

Thank you for your time and efforts.

Sincerely,


Mark E. Holloway
President

cc: Mr Paul M. Purselove
Mr. Douglas E. Hayward
Mr. Mathew B. Librach

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Generating Usable Products Through Recycling and Resource Recovery

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